



LOCAL HELP FOR PEOPLE WITH MEDICARE

SHIP's

Winter 2013

Log

*Your Health Insurance
Counseling Newsletter*

SHIP - Indiana Department of Insurance, 714 W. 53rd Street, Anderson, IN 46013

www.medicare.in.gov

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To comment on this edition or submit articles or information for future editions, contact Sarah Reimmuth 765-610-3873 or email: sarahship@thenewcreative.com.

Director's Helm

By: Cheryl St. Clair, SHIP State Director

Full Steam Ahead!

2013

I'm hoping that everyone enjoyed the holidays and had a chance to recharge after this recent Annual Enrollment Period. You have probably breathed a sigh of relief since then. Nevertheless, I'm moving full steam ahead and looking forward to 2013 because I know that every year is another opportunity to improve how we deliver SHIP services.

In 2012, we were able to raise our national performance score to 28th in the nation. That's a far cry from a year ago when we ranked 47th. These rankings are solely based on Client Contact and PAM forms. For this last year, we have 33,972 Client Contact forms and 1,827 PAM forms recorded. So your efforts to submit forms are showing big results.

You should also see the results from the efforts of the Education Committee. This group includes staff and counselors who are working to improve the overall training experience for all SHIP Counselors. Your participation in training surveys and submitting evaluations are greatly appreciated and are seriously considered for future changes to our training methodologies.

For the Medicare clients that you help, they benefit all year round. Sometimes it's the price of their drugs at the pharmacy; other times it might be their peace of mind over their health plan choice. It is a gift that will help them through this next year with their health care and drug costs. Your assistance has a true impact on their day-to-day lives. I thank you all for your great efforts.

Medigap Guaranteed Issue Rights


provided by Mary Phillips, Counselor 411

Question – Are there any situations where the insurance company must sell a Medicare beneficiary a Medigap policy after the Initial Enrollment, or is it left up to the company to decide whether or not to sell the policy?

Answer – Yes, there are some situations that will give a Medicare beneficiary a “Guaranteed Issue Right” to purchase a Medigap policy (also called Medicare Supplement policies). Guaranteed Issue Rights, also known as Medigap Protections, are rights Medicare beneficiaries have in specified situations when insurance companies must sell Medigap policies. In these situations, an insurance company must do the following:

- Sell them a Medigap policy
- Cover all their pre-existing health conditions
- Cannot charge more for a Medigap policy regardless of past or present health problems.

In most cases, a guaranteed issue right is available when the beneficiary is losing other health care coverage. In other cases, they have a “trial right” to try a Medicare Advantage Plan and still buy a Medigap policy if they change their mind. Guaranteed issue rights are available in the following situations:



It is a good idea for the beneficiary to make sure they keep a copy of any letters, notices, emails, and/or claim denials that have their name on them as proof of their coverage being terminated, and the postmarked envelope these papers come in as proof of when it was mailed. They may need to send a copy of some or all of these papers with their Medigap application to prove they have a guaranteed issue right.

More information on guaranteed issue rights can be found in the following resources:

- Navigation Guide 2, Section G – Medicare Supplement Policies; and
- The Medicare publication 2012 Choosing a Medigap Policy: a Guide to Health Insurance for People with Medicare <http://www.medicare.gov/Pubs/pdf/02110.pdf> .

Counselor 411



Mary Philips,
Counselor Assistance Program and Training

Do you have a tough question and can't get a hold of your Area Manager? Now you have another option - SHIP Counselor 411. Email your questions to SHIPcounselor411@gmail.com

A guaranteed issue right if...	Have the right to buy...	Can/must apply for a Medigap policy...
<p>They are in a Medicare Advantage Plan, and</p> <ul style="list-style-type: none"> the plan is leaving Medicare or stops giving care in their area, or they move out of the plan's service area. 	Medigap Plan A, B, C, F, K, or L from any insurance company.	As early as 60 calendar days before the date their health care coverage will end, but no later than 63 calendar days after their health care coverage ends.
<p>They have Original Medicare and an employer group health plan (including retiree or COBRA coverage) or union coverage and that plan is ending.</p>	Medigap Plan A, B, C, F, K, or L that's sold in their state by any insurance company.	<p>No later than 63 calendar days after the latest of these 3 dates:</p> <ol style="list-style-type: none"> 1. Date the coverage ends; 2. Date on the notice advising coverage is ending; 3. Date on a claim denial, if this is the only way to know that coverage ended.
<p>They have Original Medicare and a Medicare SELECT policy. They move out of the Medicare SELECT policy's service area.</p>	Medigap Plan A, B, C, F, K, or L from any insurance.	As early as 60 calendar days before the date Medicare SELECT coverage will end, but no later than 63 calendar days after Medicare SELECT coverage ends.
<p>Trial Right They joined a Medicare Advantage when they were first eligible for Medicare Part A at 65, and within the first 12 months of joining, they decide they want to switch to Original Medicare.</p>	Any Medigap policy A through L from any insurance company.	As early as 60 calendar days before the date coverage will end, but no later than 63 calendar days after coverage ends.
<p>Trial Right They dropped a Medigap policy to join a Medicare Advantage Plan for the first time; they have been in the plan less than a year, and want to switch back.</p>	<p>The Medigap policy they had before they joined the Medicare Advantage Plan, if the same insurance company they had before still sells it. If their former Medigap policy is not available, they can buy Medigap Plan A, B, C, F, K, or L from any insurance company.</p>	As early as 60 calendar days before the date coverage will end, but no later than 63 calendar days after coverage ends.
<p>Their Medigap insurance company goes bankrupt and they lose coverage, or their Medigap policy coverage otherwise ends through no fault of their own.</p>	Medigap Plan A, B, C, F, K, or L from any insurance company.	No later than 63 calendar days from the date coverage ends.
<p>They leave a Medicare Advantage Plan or drop a Medigap policy because the company hasn't followed the rules, or it misled them.</p>	Medigap Plan A, B, C, F, K, or L from any insurance company.	No later than 63 calendar days from the date coverage ends.

How Monthly Income Affects Medicare Part D Premiums

provided by Mary Phillips, Counselor 411

Medicare beneficiaries who are considered high-income earners pay a higher premium for their Part D Medicare prescription drug coverage. This additional premium amount is deducted from the beneficiary's Social Security benefit.

Individuals with an income of \$85,000 or above, or married couples filing jointly with an income of \$170,000 or above, must pay an extra premium amount for Part D coverage. The extra premium amount is called the income-related monthly adjustment amount (IRMAA). This amount is based on modified adjusted gross income as reported on the beneficiary's most recent IRS tax return. The following tables show the Part D premium adjustment amount based on income threshold.

If the beneficiary is single and filed an individual tax return, or married and filed a joint tax return, the following chart will apply:

Beneficiaries who file individual tax returns with income that is:	Beneficiaries who file joint tax returns with income that is:	Medicare Part D Income Related Monthly Adjustment Amount		
		2013	2012	2011
Less than or equal to \$85,000	Less than or equal to \$170,000	\$0	\$0	\$0
Greater than \$85,000 and less than or equal to \$107,000	Greater than \$170,000 and less than or equal to \$214,000	\$11.60	\$11.60	\$12.00
Greater than \$107,000 and less than or equal to \$160,000	Greater than \$214,000 and less than or equal to \$320,000	\$29.90	\$29.90	\$31.10
Greater than \$160,000 and less than or equal to \$214,000	Greater than \$320,000 and less than or equal to \$428,000	\$48.30	\$48.10	\$50.10
Greater than \$214,000	Greater than \$428,000	\$66.60	\$66.60	\$69.10

If beneficiary is married and lived with their spouse at some time during the taxable year, but filed a separate tax return, the following chart will apply:

Beneficiaries who are married but file separate tax returns with income that is:	Medicare Part D Income Related Monthly Adjustment Amount		
	2013	2012	2011
Less than or equal to \$85,000	\$0	\$0	\$0
Greater than \$85,000 and less than or equal to \$129,000	\$48.30	\$48.10	\$50.00
Greater than \$129,000	\$66.60	\$66.40	\$69.10

The additional monthly Part D income-related adjustment amount is not collected by the Medicare Part D plans, but instead paid directly to the Federal government. The amount of the beneficiary's IRMAA will be directly deducted from their Social Security, Railroad Retirement Board, or Office of Personnel Management benefits. If there are not sufficient funds in their government benefits

AZ&Me™ Prescription Savings Program for people with Medicare Part D removes out-of-pocket spend requirement

AstraZeneca (NYSE: AZN) is simplifying the enrollment process for the AZ&Me™ Prescription Savings Program for people with Medicare Part D by removing an out-of-pocket spend requirement.

As of January 1, 2013, the program will no longer require that people with Medicare prescription drug coverage spend 3% of their annual household income on out-of-pocket costs for prescription medicines within the calendar year to qualify.

Those who meet all of the other program eligibility requirements may begin receiving their AstraZeneca medicines for free upon successfully completing the enrollment process. To be eligible for the program, a Medicare beneficiary must:

- Be enrolled in Medicare Part D.
- Have an annual household income at or below \$35,000 for individuals or \$48,000 for couples.
- Not be enrolled in the Medicare Limited Income Subsidy.

For more information about AstraZeneca in the U.S. or our AZ&Me™ Prescription Savings programs, please visit: www.astrazeneca-us.com or call 1-800-AZandMe (292-6363).

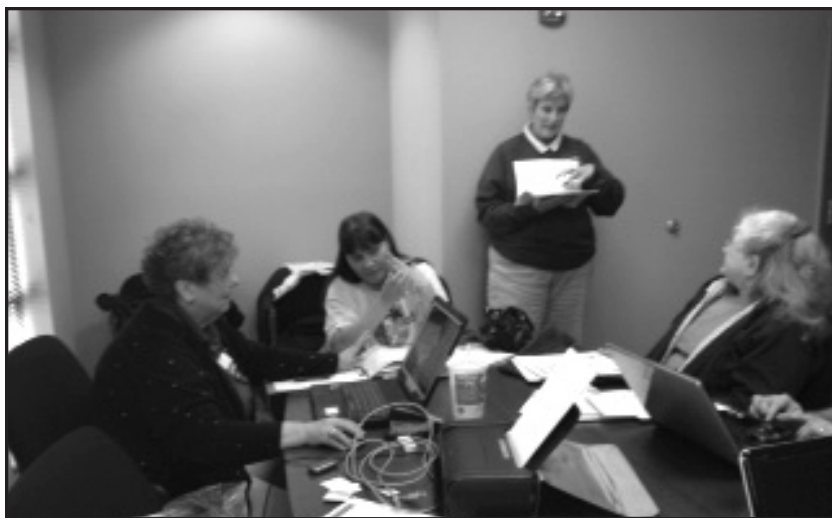
How Monthly Income Affects Medicare Part D Premiums (continued)

or they are not receiving government benefits, then Medicare will bill the beneficiary directly on a monthly basis. Medicare Part D beneficiaries affected by the 2013 IRMAA will receive a letter from the Social Security Administration notifying them of their Medicare Part D plan premium increase.

The letter received from Social Security will advise what the beneficiary should do if they disagree with the IRMAA determination. For more information, call Social Security at 1-800-772-1213. TTY users should call 1-800-325-0778. If their income has changed due to any of the reasons below and this change will make a significant difference in their income level, the beneficiary should contact Social Security.

- Married, divorced, or marriage was annulled
- Became a widow/widower
- Beneficiary or their spouse stopped working or reduced work hours
- Beneficiary or their spouse lost income from income-producing property due to a disaster or other event beyond your control
- Beneficiary or their spouse's employer pension plan was reorganized, terminated, or experienced a scheduled cessation
- Beneficiary or their spouse got a settlement from an employer or former employer because of the employer's closure, bankruptcy, or reorganization.

SHIP Event Photos



Susan Spilly, Trudy Wells, and Lorealee Moore assisted 16 Medicare beneficiaries in four hours on November 7.

Trudy is the Local Coordinator/ Counselor at Hoosier Uplands Area 15 AAA. She has been a longtime counselor and serves a six-county area. Trudy has held several Annual Enrollment events in the outlying counties while keeping her responsibilities as the AAA Deputy Director of Aging afloat.

Don't forget to find SHIP on Facebook where you'll find many more great event and anniversary photos!

SHIP Sets Sail in Newburgh!



New SHIP site. Melissa Meredith, SHIP Counselor, pictured above

The SWIRCA SHIP counselors have been busy expanding their services. They have established a partnership with the Newburgh Senior Center in Newburgh, Indiana in Warrick County. The folks at the Senior Center welcomed them and have designated an office and a computer to be used by the SHIP counselors. They also have recruited their first volunteer! Heidi Lindblom, who lives in Newburgh, is ready to staff the new office. She's excited about the prospect of helping Warrick County residents with their Medicare questions. The other SWIRCA SHIP counselors will help Heidi staff the office. Melissa

Meredith, Michael Halling and Kristin Hood will all rotate at the new office as well as their main site in Evansville. Welcome Heidi and the Newburgh Senior Center! We are glad you are on board with SHIP.

Is the spirit of expansion growing in other places around the state? If so, talk to your Area Manager about some counties and towns that need an onsite SHIP office. They can also conduct volunteer recruitment and site negotiations.

SHIP Event Photos



Susan Spilly and Lorealee Moore attended the Veterans Celebration in Evansville with more than 300 veterans and families. The event was hosted by SWIRCA on November 9, 2012. (left and above)



Butler University Pharmacy students, faculty, and SHIP partnered for an Open Enrollment Event December 1, 2012. They assisted with drug comparisons and helped answered questions. (left)

The Vincennes Caregiver Conference was held at Vincennes University by Generations/ Area 13 AAA on November 8th. Many caregivers attended to learn about resources and important information about caregiving. SHIP staff (Lorealee Moore and Susan Spilly) were on hand to assist Generations SHIP counselor, Ashley Seprodi, at this event. Ashley, in her role as the Caregiver Program Coordinator for Generations, was also the emcee for the event. (right)



Area Managers' Updates



Christel Snow,
Northern Indiana Area Update

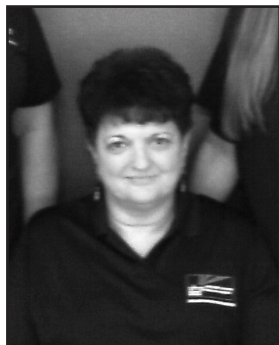
Hope you all had a joyous Holiday Season with your family and loves ones!

Thank you to everyone for working so hard on this year's 2013 Part D and MAPD annual enrollment for your clients. I am so very grateful for all that you do for your clients. Your hard work and dedication to the program has raised our SHIP national rank to 28th.

Attending this year's SHIP Fall Update training was my honor to meet with all of the counselors in my area that have been with the program for 20 years. I enjoyed getting together and sharing our client casework scenarios.

Welcome to SHIP counselors that recently completed new counselor training.

Again, Thank you for all of your hard work and dedication to the SHIP program. I look forward to seeing you at your next SHIP counselor meeting. Please visit the SHIP Facebook page for more information and to view photographs of 5, 15 and 20 Year SHIP Anniversary counselors.



Lorealee Moore,
Southern Area Update

Hello, I am the new SHIPmate on board. I began my voyage October 1 and everyday has been a new a new adventure and a new port of call. So far, I have traveled from my homeport in beautiful Brown County to Centerville, Richmond, Bloomington, Mitchell, Vincennes, Salem, Bedford, Evansville and a new port opened by SWIRCA (Evansville SHIP site) in Newburgh Indiana. It has been a rewarding journey but I still have several ports to visit before I complete my first voyage across

southern Indiana

Open enrollment started shortly after I started my journey so I have been busy assisting with open enrollment events in my area and beyond. The biggest event that I attended was the Veterans Celebration Lunch in Evansville that was hosted by SWIRCA (Area 16 Agency on Aging). Over 350 veterans and their families attended the celebration that included vendor booths, entertainment, veteran recognition and great food. It was inspiring and up lifting. Another memorable event was at Generations in Vincennes. They hosted a caregiver conference in early November that provided ongoing support for those providing needed help and support to family member and friends. Resource information, panel discussion, speakers and a wonderful lunch provided a brief respite for the caregivers.

In the next month or so, I will be traveling to Paoli, Terre Haute, New Albany, Harrison County, Dillsboro and Scottsburg to meet with other SHIP counselors and visit their sites. I look forward to the next phase of my journey.

I want to thank all of my other SHIPmates, including the staff at the State Office for their help and assistance during these first few months....without them I would be lost at sea.

Area Managers' Updates



Nannie Alldredge,
Central/Northeast Area Update

Happy New Year!!! I hope that everyone had a wonderful Christmas, filled with many wonderful memories. I would like to thank you so much for the wonderful work that you did during this years annual open enrollment. Your dedication to the SHIP program made it a success.

I have met many of you already but I still have many more counselors to meet. Thank you for being patient with me as I learn a new area, new sites and how they work and a great new set of counselors. I look forward to meeting everyone and getting to know you better.

I would like to say thank you to my old group of counselors and sites. It was an honor and a privilege to be your Area Manager. I so enjoyed working with you. Becoming friends. I will miss you all very much.

Snippets from Susan

Hello everyone! I am the Special Populations Program Coordinator (that's the title I gave myself!) for Indiana SHIP. What that means is that I will be working with each of your sites to increase outreach to Medicare beneficiaries with mental illness, who have lower incomes, and who are under age 65 and have disabilities. In the coming year, I will be visiting your site to pick your brains on how this is best done in your area. Since there are over 130 sites around the state and only one of me, if you have any burning ideas now, please feel free to email me at susangsl@aol.com. Please type "SHIP ideas" or something like that in the subject line so I don't think you are spam ;).

In the coming months, I will be communicating with you via email, SHIP Logs and mailings. We are very close to completing a brand new Indiana SHIP tri-fold brochure which describes the benefits for people with mental illness. We'll get a supply of those to each SHIP site once they are finished. In the meantime, when you are counseling, you can be looking (not necessarily asking the question) for medicines that are good indicators of a mental illness. I'm sure many of you have clients who take Xanax, Valium, lorazepam, etc. If they meet the DMD category, it's really important that you record that on your Client Contact Form by CHECKING THE BOX. While not many of us like to think about numbersnumbersnumbers, we do need to increase our contacts with the Special Populations. If you think about it, those are the folks for whom SHIP is even more important than some other beneficiaries. They need our help.

I look forward to visiting each and every SHIP site in Indiana and meeting each and every one of you! Thank you for all you do and for how hard everyone has worked during AEP. It's exhausting but it's one of the most rewarding times of the year, I think!

Smoking & Tobacco Use Cessation

(counseling to stop smoking or using tobacco products)

How often is it covered?

Medicare Part B (Medical Insurance) covers up to 8 face-to-face visits during a 12-month period. These visits must be provided by a qualified doctor or other Medicare-recognized practitioner.

Who's eligible?

All people with Medicare who use tobacco are covered.

Your costs in Original Medicare

You pay 20% of the Medicare-approved amount, and the Part B deductible applies if you use tobacco and you're diagnosed with an illness caused or complicated by tobacco use, or you take a medicine that's affected by tobacco. In a hospital outpatient setting, you also pay the hospital a copayment.

If you haven't been diagnosed with an illness caused or complicated by tobacco use, you pay nothing for the counseling sessions if the doctor or other health care provider accepts assignment.

Although we are still below the minimum attainment in most areas, we are still improving. We now rank 28 in the national. This is a far cry from when we ranked 50th. Thank you all for your hard work.

-- Cheryl St. Clair, SHIP State Director

Counselors' Corner

Have you checked out SHIP's Counselors' Corner? You can access the page directly from the SHIP website.

Username: idoiship

Password: Ship2012



IDOI Home

Medicare and SHIP

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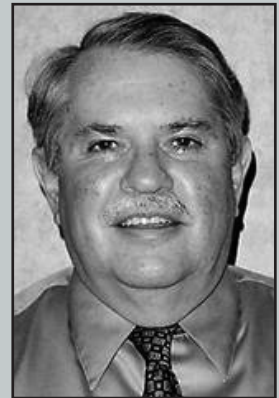
John Williams Gets to the Bottom of the Problem

Q:

Do Social Security and Medicare benefits end when a beneficiary is confined in jail or prison? If so, can they be reinstated when a prisoner is released?

A:

Social Security benefits are suspended when a beneficiary is confined for more than 30 continuous days to a jail or prison because of a criminal conviction. SSA can reinstate monthly benefits starting with the month after the month a beneficiary is released.



John Williams, SHIP
Medicare Specialist

Medicare Part A continues uninterrupted while a beneficiary is in prison. But Part B Medicare terminates if a beneficiary does not pay the monthly premiums while in prison. To start Part B again, a beneficiary will need to file an application with SSA during a general enrollment period, which is January through March of each year and Part B eligibility will begin on July 1 of that year and there may be a premium penalty for late enrollment. There is no Part B Special Enrollment Period when a beneficiary is released from prison. However, if a Medicare beneficiary becomes eligible for Medicaid after release from prison, the State will “buy-in” to Part B effective with Medicaid’s eligibility date.

Q:

Does SSA handle reviews and appeals on Medicare Part D late enrollment penalties?

A:

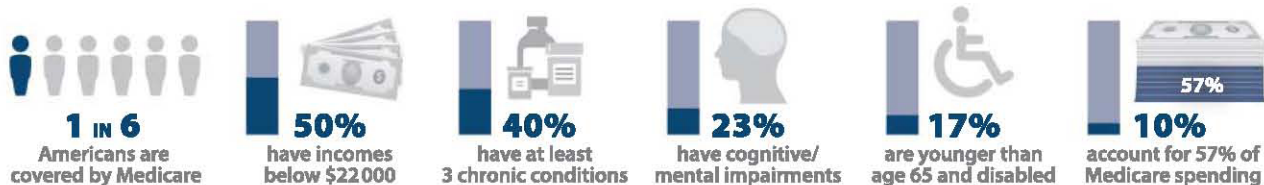
Although SSA handles reviews and appeals on Part B late enrollment penalties, Medicare is responsible for similar actions for Part D. An affected Part D beneficiary will need to fill out a reconsideration request form (that the Medicare drug plan will provide) and submit it to Medicare with any proof that supports his or her case, such as information about previous creditable prescription drug coverage.



MEDICARE'S ROLE AND FUTURE CHALLENGES

People on Medicare

MEDICARE COVERS **50 MILLION** PEOPLE AGED 65 YEARS OR OLDER AND YOUNGER ADULTS WITH DISABILITIES



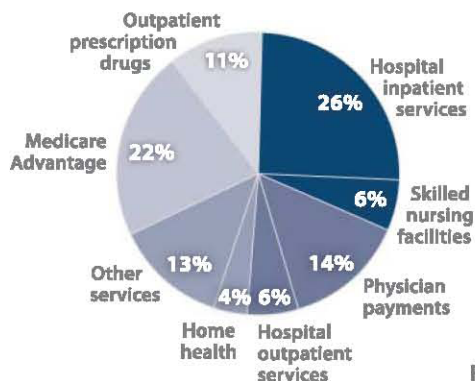
Share of Medicare beneficiaries using at least 1 medical service in a year



Medicare's Balancing Act

Setting fair payments to providers and plans...

MEDICARE BENEFIT PAYMENTS BY TYPE OF SERVICE, 2012



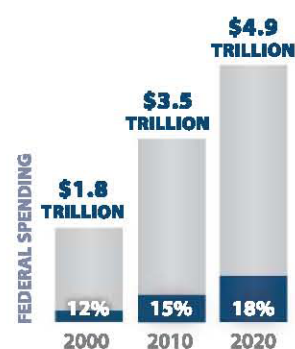
...keeping medical care affordable for beneficiaries...

PART B AND D OUT-OF-POCKET SPENDING AS A SHARE OF AVERAGE SOCIAL SECURITY BENEFIT



...and sustaining Medicare for future generations

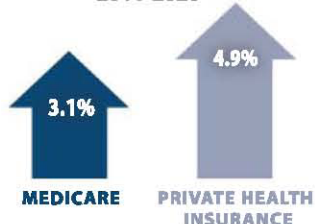
MEDICARE AS A SHARE OF THE FEDERAL BUDGET



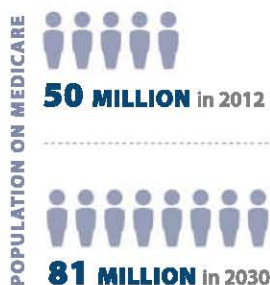
For most beneficiaries, Social Security income accounts for half or more of annual income

Medicare spending is growing slower than private insurance per person...

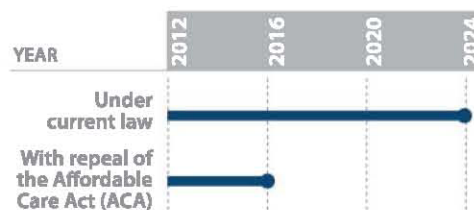
AVERAGE ANNUAL GROWTH 2011-2020



...however, rising health care costs and a growing population present fiscal challenges



THE MEDICARE PART A TRUST FUND IS PROJECTED TO HAVE INSUFFICIENT FUNDS TO PAY ALL HOSPITAL BILLS BEGINNING IN 2024



Source: Kaiser Family Foundation (<http://www.kff.org>) analysis. Original data and detailed source information are available at http://facts.kff.org/JAMA_112812.
*Produced by: Jennifer Huang, MHS, Juliette Cubanski, PhD, Gretchen Jacobson, PhD, Patricia Neuman, ScD, Anne Jankiewicz, and David Rousseau, MPH.